STATE RISK MANAGEMENT FUND INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2006

											Γ				Current	Prior Year	3 Years	5 Years			
	June-06				March-06				December-05				September-05				FYTD	FY05	Ended	Ended	
	Allocation		ation	Quarter Month		Allocation Quarter		Quarter	Allocation Quarter			Allocation Quarter					6/30/2006	6/30/2006			
	Market Value	Actual	Policy	Net ROR N	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY																					
Structured Growth																					
Los Angeles Capital	104,821	3.2%	3.4%	-2.57%	0.29%	128,790	3.4%	3.4%	4.95%	86,885	2.3%	3.4%	3.06%	86,016	3.5%		5.45%	11.12%		N/A	N/A
Total Structured Growth	104,821	3.2%	3.4%	-2.57%	0.29%	128,790	3.4%	3.4%	4.95%	86,885	2.3%	3.4%	3.06%	86,016	3.5%	3.4%	5.45%	11.12%		12.01%	-0.32%
Russell 1000 Growth				-3.90%	-0.39%				3.09%				2.98%				4.01%	6.12%	1.68%	8.35%	-0.76%
Structured Value																					
LSV	111,854	3.4%	3.4%	1.25%	1.12%	133,351	3.5%	3.4%	6.54%	84,163	2.2%	3.4%	1.52%	86,609	3.5%	3.4%	5.06%	15.05%	18.35%	21.14%	12.22%
Russell 1000 Value				0.59%	0.64%				5.93%				1.27%				3.88%	12.10%	14.06%	15.70%	6.89%
Russell 1000 Enhanced Index																					
LA Capital	204.821	6.3%	6.8%	-2.36%	0.55%	238.999	6.3%	6.8%	4.96%	172.595	4.6%	6.8%	2.29%	171.794	7.0%	6.8%	6.45%	11.58%	7.93%	N/A	N/A
Russell 1000		0.070	0.070	-1.66%	0.13%	200,000	0.070	0.070	4.49%	112,000	11070	0.070	2.12%	,	11070	0.070	3.95%	9.08%	7.92%	N/A	N/A
S&P 500 Enhanced Index				710070	00,0								2270				0.0070	0.0070	7.0270		
	240,937	7.4%	6.8%	-1.40%	0.15%	278,385	7.3%	6.8%	4.26%	179,532	4.8%	6.8%	2.10%	166.334	6.7%	6.8%	3.64%	8.77%	6.58%	N/A	N/A
Westridge	240,937	7.4%	0.0%			2/0,303	7.3%	0.0%		179,532	4.0%	0.0%	2.10%	100,334	0.7%	0.0%	3.60%	8.63%		N/A N/A	N/A N/A
S&P 500				-1.44%	0.14%				4.21%				2.09%				3.00%	0.03%	0.32%	IV/A	N/A
Index																					
State Street	74,513			-0.58%	1.06%	85,372			4.19%	55,092			2.07%	55,105			3.58%	9.51%	6.27%	11.47%	2.62%
Total Index	74,513	2.3%	2.3%		1.06%	85,372	2.2%	2.3%	4.19%	55,092	1.5%	2.3%	2.07%	55,105	2.2%	2.3%	3.58%	9.51%		11.47%	2.62%
S&P 500				-1.44%	0.14%				4.21%				2.09%				3.60%	8.63%	6.32%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	736.946	22.6%	22.5%	-1.39%	0.51%	864.897	22.8%	22.5%	4.88%	578.267	15.5%	22.5%	2.20%	565.857	22.9%	22.5%	4.97%	10.95%	8.89%	13.63%	3.95%
S&P 500	,-			-1.44%	0.14%	,			4.21%	, .			2.09%	,			3.60%	8.63%	6.32%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY																					
Manager-of-Managers																					
SEI	242,791	7.4%	7.5%	-5.84%	-0.45%	295,713	7.8%	7.5%	13.24%	189,740	5.1%	7.5%	0.98%	187,700	7.6%	7.5%	5.49%	13.58%	9.32%	18.20%	7.84%
Russell 2000 + 200bp				-4.54%	0.81%				14.49%				1.64%				5.21%	16.86%	11.64%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	242.791	7.4%	7.5%	-5.84%	-0.45%	295.713	7.8%	7.5%	13.24%	189.740	5.1%	7.5%	0.98%	187.700	7.6%	7.5%	5.49%	13.58%	9.32%	18.20%	7.86%
Russell 2000	242,701	7.470	7.070	-5.02%	0.64%	200,7 10	7.070	7.070	13.94%	100,140	0.170	7.070	1.13%	101,100	1.070	7.070	4.69%	14.58%	9.45%	18.70%	8.50%
7.44555# 2555				0.0270	0.0170				10.0170				11.1070					, ,,,,,,,	0.7070	.0070	0.0070
DOMESTIC FIXED INCOME																					
Core Bond																					
Western Asset	769,656	23.6%	21.7%	-0.34%	0.23%	846,494	22.3%	21.7%	-0.44%	637,504	17.0%	21.7%	0.28%	545,547	22.1%	21.7%	-0.41%	-0.90%	7.14%	7.36%	8.59%
Lehman Aggregate	,			-0.08%	0.21%	,			-0.65%	,			0.59%	,			-0.67%	-0.81%	6.80%	2.05%	4.97%
Index																					
Bank of ND	694.370	21.3%	21.7%	-0.03%	0.24%	757.712	19.9%	21.7%	-0.95%	573.570	15.3%	21.7%	0.56%	504.411	20.5%	21.7%	-0.72%	-1.14%	4.59%	1.14%	4.90%
Lehman Gov/Credit (1)	034,370	21.5/0	21.770	-0.14%	0.23%	737,712	13.370	21.770	-1.01%	373,370	13.370	21.70	0.60%	304,411	20.570	21.770	-0.96%	-1.52%		1.04%	4.78%
()				0,0	3.2070								0.0070				0.0070				570
BBB Average Quality	760 000	22 Et/	24 70/	0.636/	0.400/	042.050	22.20/	24 70/	4.000/	626 477	47.00/	24 70/	0.500/	E20.252	24.00/	24 70/	4 0E0/	2 440	0.440/	2.620/	\$1/4
Wells Capital (formerly Strong) Lehman US Credit BAA	768,380	23.5%	21.7%	-0.63% -0.60%	0.10% 0.16%	843,659	22.2%	21.7%	-1.02% -1.20%	636,177	17.0%	21.7%	0.58% 0.39%	539,353	21.9%	21.7%	-1.05% -0.97%	-2.11% -2.37%	9.14% 8.60%	2.63% 2.63%	N/A N/A
Lenman US Credit BAA				-0.00%	0.10%				-1.20%				0.39%				-0.97%	-2.31%	8.60%	2.03%	IV/A
TOTAL DOMESTIC FIXED INCOME	2,232,406	68.4%	65.0%	-0.33%	0.20%	2.447.865	64.4%	65.0%	-0.79%	1.847.251	49.4%	65.0%	0.46%	1.589.310	64 4%	65.0%	-0.73%	-1.39%	6.14%	6.59%	7.79%
Lehman Aggregate (2)	2,232,400	00.4/0	33.0%	-0.08%	0.20%	2,441,000	U4.4 /0	33.0%	-0.75%	1,041,231	4J.4/0	00.070	0.40%	1,505,510	U4.470	03.0%	-0.73%	-0.81%		1.84%	5.28%
Leriman Aggregate (2)				-0.0076	0.2170				-0.0076				0.5376				-0.07 /8	-0.0176	7.20%	1.0470	3.2070
CASH EQUIVALENTS																					
Bank of ND	52.711	1.6%	5.0%	1.26%	0.42%	191.796	5.0%	5.0%	1.17%	1.126.496	30.1%	5.0%	1.07%	123.248	5.0%	5.0%	0.93%	4.50%	2.46%	2.71%	2.42%
90 Day T-Bill	02,111		0.070	1.16%	0.38%	101,100	0.070	0.070	1.03%	., .20, 400	00.170	0.070	0.92%	.20,2-70	0.070	2.070	0.83%	4.00%	2.15%	2.37%	2.25%
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TOTAL RISK MANAGEMENT FUND	3,264,853	100.0%	100.0%	-0.81%	0.24%	3,800,271	100.0%	100.0%	1.19%	3,741,754	100.0%	100.0%	0.86%	2,466,115	100.0%	100.0%	1.13%	2.38%	5.98%	5.46%	4.44%
POLICY TARGET BENCHMARK	.,,			-0.69%	0.24%	.,,			1.59%	.,,			1.00%	,,			0.78%	2.71%		5.12%	4.84%
NOTE: Monthly returns and market values																				- , , ,	

NOTE: Monthly returns and market values are preliminary and subject to change.

⁽¹⁾ From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index. (2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.